

AUTHORIZATION TO: 1) SUBMIT A MIXED-FINANCE PROPOSAL AND EVIDENTIARY DOCUMENTS TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; 2) COMMIT CHICAGO HOUSING AUTHORITY FUNDS UP TO \$10,000,000 FOR THE LEGENDS SOUTH PHASE C-3 DEVELOPMENT; 3) APPROVE TENANT SELECTION PLAN, LEASE, LEASE RIDERS, AND BYLAWS FOR ROBERT TAYLOR HOMES DEVELOPMENT REPLACEMENT HOUSING AT THE PRIVATE DEVELOPMENT KNOWN AS LEGENDS SOUTH PHASE C-3 AND AMEND THE CHA ADMISSIONS AND CONTINUED OCCUPANCY POLICY TO INCORPORATE SUCH DOCUMENTS AS AN ADDENDUM THERETO AND 4) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH ACTIONS AS MAY BE NECESSARY OR APPROPRIATE TO IMPLEMENT THE FOREGOING.

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to: 1) Submit a Mixed-Finance Proposal and Evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds up to \$10,000,000 for the Legends South Phase C-3 development; 3) Approve the Tenant Selection Plan, lease, lease riders, and bylaws for Robert Taylor Homes replacement housing at the private development known as Legends South Phase C-3 and amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The Interim Executive Vice President of Development, Office of the General Counsel and Department of Procurement and Contracts have completed all necessary due diligence to support the submission of this initiative and recommend approval of this item accordingly.

CORPORATE GOAL #1

The proposed development supports CHA's corporate goal to reimagine the final phase of the Plan for Transformation, coordinating public and private investments to develop healthy, vibrant, communities.

FUNDING Not to exceed \$10,000,000 of HOPE VI, CHA General and Program Income Funds

M/W/DBE & SECTION 3 PARTICIPATION Compliance Affidavit on File

GENERAL BACKGROUND

The Brinshore-Michaels development team was selected in 2001 as Developer for the redevelopment of Robert Taylor Homes. Rebranding of Robert Taylor Homes began in 2004 with "Legends South" chosen as the overarching new community name. Every completed

redevelopment phase is named after a famous individual or location from the Southside of Chicago. This will be the fifth rental sub-phase for the development team. This particular phase, commonly referred to as Legends South Phase C-3 (marketing name yet to be determined), is a 71 unit off-site rental phase on vacant, City-owned infill lots dispersed between 43rd Street to the north, Michigan Avenue to the west, 49th Street to the south and Calumet Avenue to the east

Unit & Bedroom Mix – 71 Total Rental Units

Unit Type	Public Housing	Affordable	Market Rate	TOTAL
1 BR	8	7	6	21
2 BR	10	9	8	27
3 BR	9	7	4	20
4 BR	3	0	0	3
TOTAL	30	23	18	71

DEVELOPMENT ENTITY

The ownership entity, Legends C-3 LLC, consists of Legends C-3 Manager, LLC as Manager and/or managing member, and is owned equally by Michaels Chicago Holding Company, LLC and Brinshore Holding, LLC. The investor member will be an affiliate of Prestige Affordable Housing Equity Partners, LLC.

FINANCING

The total estimated development budget for the Legends South Phase C-3 development is approximately \$28,854,634 and includes the CHA Loan of approximately \$9,263,089 to be funded with a combination of HOPE VI, CHA General and Program Income funds. Additional project sources include approximately \$676,330 of CHA General and HOPE VI funds to be used for Gautreaux Development Manager Fees and Costs, CHA Administration Costs, and Initial Operating Deficit Reserve.

TENANT SELECTION PLAN

The proposed resolution is to approve the form of tenant selection plan, lease, lease riders, and bylaws to be used for Robert Taylor Homes replacement housing units at Legends South Phase C-3. It is understood that the developer has an interest and desire to implement its own lease forms and policy that encourage consistent community standards for the effect. The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The Interim Executive Vice President of Development concurs with the recommendation to 1) Submit a Mixed-Finance Proposal and Evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds up to \$10,000,000 for the Legends South Phase C-3 development; 3) Approve the Tenant Selection Plan, lease, lease riders, and bylaws for Robert Taylor Homes replacement housing at the private development known as Legends South Phase C-3 and amend the CHA Admissions and Continued Occupancy

Policy to incorporate such documents as an addendum thereto and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The CEO/President recommends approval to 1) Submit a Mixed-Finance Proposal and Evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds up to \$10,000,000 for the Legends South Phase C-3 development; 3) Approve the Tenant Selection Plan, lease, lease riders, and bylaws for Robert Taylor Homes replacement housing at the private development known as Legends South Phase C-3 and amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

RESOLUTION NO. 2013-CHA-99

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 13, 2013 entitled 1) Submit a Mixed-Finance Proposal and Evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds up to \$10,000,000 for the Legends South Phase C-3 development; 3) Approve the Tenant Selection Plan, lease, lease riders, and bylaws for Robert Taylor Homes replacement housing at the private development known as Legends South Phase C-3 and amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) Submit a Mixed-Finance Proposal and Evidentiary documents to the United States Department of Housing and Urban Development; 2) Commit Chicago Housing Authority funds up to \$10,000,000 for the Legends South Phase C-3 development; 3) Approve the Tenant Selection Plan, lease, lease riders, and bylaws for Robert Taylor Homes replacement housing at the private development known as Legends South Phase C-3 and amend the CHA Admissions and Continued Occupancy Policy to incorporate such documents as an addendum thereto and 4) Execute and deliver such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 and insurance requirements.



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